United Nations A/CONF.225/PC/2

General Assembly

Distr.: General
1 April 2014

Original: English

Intergovernmental Preparatory Committee for the Second United Nations Conference on Landlocked Developing Countries
First session
New York, 12-13 June 2014
Item 3 of the provisional agenda*
Preparations for the Conference: briefings and presentations

Report of the regional-level preparatory review meeting for Africa

Summary

The Africa regional-level preparatory review meeting was held in Addis Ababa, from 16 to 18 July 2013, as part of the preparatory process for the Second United Nations Conference on the Landlocked Developing Countries that will be held in Austria in November 2014, pursuant to General Assembly resolutions 66/214 of December 2011 and 67/222 of 21 December 2012. The present report provides an account of the meeting and its outcome. The report of the Africa regional review meeting was presented at the third session of the Conference of African Ministers of Transport, which was held in Malabo, Equatorial Guinea, from 7 to 11 April 2014. The report was endorsed at that meeting.

* A/CONF.225/PC/1.

14-28719 (E) 060514

Please recycle

I. Introduction

1. The lack of direct territorial access to the sea, the remoteness and the isolation from major international markets makes landlocked developing countries highly dependent on transit countries for their seaborne trade. Additional border crossings and the long distance from major markets, coupled with cumbersome transit procedures and inadequate infrastructure, substantially increase the total expenses for transport and other transaction costs that erode the competitive edge of landlocked developing countries, reduce economic growth and subsequently have an impact on their capacity to promote social development and environmental sustainability.

2. The International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, held in Almaty, Kazakhstan, in 2003, adopted the Almaty Programme of Action to address the special development needs and challenges faced by landlocked developing countries in five priority areas: fundamental transit policy issues; infrastructure development and maintenance; international trade and trade facilitation; international support measures; and implementation and review. In its resolution 66/214, the General Assembly decided to hold a comprehensive 10-year review conference of the Almaty Programme of Action in 2014 that should be preceded by regional and global, as well as thematic, preparations.

3. In this context, the Economic Commission for Africa (ECA) and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States jointly organized the African regional review meeting on the implementation of the Almaty Programme of Action, which was held at the United Nations Conference Centre in Addis Ababa, from 16 to 18 July 2013.

4. The objectives of the regional review meeting were to: (a) review the implementation of the Almaty Programme of Action in Africa, with a view to identifying major achievements and constraints, as well as emerging opportunities and challenges; (b) examine the overall economic development of African landlocked countries, particularly in the area of trade; (c) assess progress in establishing efficient transit transport systems on the continent; and (d) formulate appropriate policy measures and action-oriented recommendations aimed at sustaining the achievements made so far in overcoming the special problems of landlocked developing countries.

II. Attendance

5. The meeting was attended by participants from the following landlocked and transit countries: Angola, Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Côte d'Ivoire, Djibouti, Eritrea, Ethiopia, Lesotho, Malawi, Mali, Namibia, Niger, Nigeria, Rwanda, Senegal, South Sudan, Swaziland, United Republic of Tanzania, Uganda, Zambia and Zimbabwe.

6. The African Union Commission and the following regional economic communities, corridor organizations and transport institutions were represented: Economic Community of Central African States (ECCAS), Southern African

Development Community (SADC), Intergovernmental Authority on Development (IGAD), Economic Community of West African States (ECOWAS); Burkina Shippers' Council, Nigeria Shippers' Council, Abidjan-Lagos Corridor, Dar es Salaam Corridor, Maputo Corridor, Trans-Kalahari Corridor Secretariat, Central Corridor, International Commission of Congo-Oubangui-Sangha Basin, Federation of East African Freight Forwarders Associations, Federation of East and Southern African Road Transport Associations, Cameroon Road Safety Foundation, Académie régionale des sciences et techniques de la mer and Port Management Association of Eastern and Southern Africa.

7. Representatives of chambers of commerce of the following countries attended the meeting: Burkina Faso, Ethiopia, Kenya, Uganda, Togo and Zimbabwe. Other private sector representatives included Tri-African Advisory Services, African Business Roundtable and PAX AFRICA.

8. The Chair of the Global Coordination Bureau of the Group of Landlocked Developing Countries and the following United Nations agencies and organizations and development partners were present at the meeting: ECA, the Food and Agriculture Organization of the United Nations, the United Nations Industrial Development Organization (UNIDO), the United Nations Conference on Trade and Development (UNCTAD), the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the International Road Transport Union.

III. Account of proceedings

Opening session

9. Opening statements were made by the African Union Commissioner for Economic Affairs, Anthony Mothae Maruping; the United Nations Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, Gyan Chandra Acharya; the Permanent Representative of the Lao People's Democratic Republic to the United Nations and Chair of the Group of landlocked developing countries, Saleumxay Kommasith; the State Minister of Finance and Economic Development of Ethiopia, Ahmed Shide; and the United Nations Under-Secretary-General and Executive Secretary of ECA, Carlos Lopes.

10. In his opening statement, Mr. Maruping reiterated the commitment of the African Union Commission to work with partners in support of the implementation of the Almaty Programme of Action, since Africa has 16 landlocked developing countries and indeed most of the world's landlocked developing countries. The geographical conditions of landlocked developing countries undoubtedly posed special challenges in their efforts to integrate into the global trading system. He noted that addressing those challenges would contribute to improving intra-African trade. He underscored the importance of close collaboration between landlocked developing countries and transit countries. Collaboration with development partners, through initiatives such as Aid For Trade, was also necessary to integrate landlocked developing countries firmly into the multilateral trading system. In addition, the African Union Commissioner stressed the vital role of the private sector in promoting trade as an engine of growth. To that end, African Governments should

create the necessary environment for the private sector to thrive, including through innovative development approaches such as public p vate partnerships.

11. In his statement, Mr. Acharya said that the regional review meetin would contribute to preparations for the comprehensive global 10-year review conference on the implementation of the Almaty Programme of Action to be held in 2014. He briefed the meeting on the status of preparations for the conference. He underscored the importance of private sector participation in the preparatory process since it was actively involved in trading activities in landlocked developing countries as traders, freight forwarders, insurance providers, transporters and a source of both domestic and foreign direct investment. A steering committee had been set up to oversee the activities of the private sector, which would culminate in an investment forum to be held as a high-level event at the conference in 2014.

12. He highlighted key elements required to advance the development agenda of landlocked developing countries over the coming decade, including investment in transport, information and communication technology and energy infrastructure in both landlocked and transit developing countries; investment in soft infrastructure or trade facilitation; consideration of the special needs of landlocked developing countries in the current World Trade Organization (WTO) negotiations on trade facilitation; improved market access for agricultural and non-agricultural goods originating from landlocked developing countries; and continued technical support to expedite accession of landlocked developing countries to WTO. He concluded by stressing that the key development priorities of landlocked developing countries should be firmly integrated into the post-2015 development agenda in order to ensure meaningful development outcomes.

13. In his opening statement, Mr. Kommasith emphasized that the group provided a platform for landlocked developing countries to coordinate their development efforts and agree on common positions on global issues, such as the ongoing discussions on the post-2015 development agenda. He informed participants of the influential role played by the group in the General Assembly decision to convene a global conference in 2014 to review progress in the implementation of the Almaty Programme of Action 10 years after its adoption. He also drew attention to an international agreement on the establishment of a think tank to deal with issues related to landlocked developing countries and encouraged African countries to become parties to the agreement to ensure sufficient signatories for it to become operational.

14. Mr. Shide, in his opening statement, underscored that the Almaty Programme of Action provided a unique opportunity to galvanize international solidarity and partnership to facilitate the effective participation of landlocked developing countries in international trade. He highlighted the commitment of his Government to the Almaty Programme of Action and noted that all the priority areas of the programme had been included in the country's previous three development plans. Ethiopia had made steady progress in its economic and social development since the adoption of the Almaty Programme of Action. The national gi oss domestic product (GDP) had grown on average by 11 per cent over the previous nine years. He also noted the challenges identified during the implementation of the Almaty Programme of Action, among them limited human and financial resources, as well as technical and institutional capacity.

15. He reiterated the importance of international support for landlocked developing countries in the implementation of the Almaty Programme of Action, including through South-South and triangular cooperation. Overcoming the challenges of landlocked developing countries called for close cooperation and collaboration with their transit neighbours. In conclusion, he commended the United Nations system for its key role, through the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, in mobilizing international support and resources for the implementation of the Almaty Programme of Action and urged development partners to scale up their contribution.

16. Mr. Lopes said, in his opening remarks, that it was fitting that the present meeting was taking place in Addis Ababa, the capital city of Ethiopia, a country that was transforming itself and had proved that it was possible for a landlocked country to extricate itself from poverty. He stressed that the Almaty Programme of Action was pertinent for African countries because it aimed at tackling trade facilitation and infrastructure challenges that were known to be more severe in Africa than in other regions of the world. Achieving the objectives of the Almaty Programme of Action would enhance Africa's regional integration, industrialization and economic transformation in general.

17. He underscored the need for the meeting to take into consideration existing trade and transport facilitation initiatives in Africa. He urged delegates to bear in mind the progress in WTO negotiations on trade facilitation and stressed that interventions made in the context of the Almaty Programme of Action could facilitate implementation of the envisaged WTO provisions. He also urged them to examine linkages between the Almaty Programme of Action and the ongoing discussions on the post-2015 development agenda. In conclusion, he assured the participants of the continued support of ECA in efforts to address the special needs of Africa's landlocked and transit countries and to strengthen their ability to engage in international trade.

Report on the status of implementation of the Almaty Programme of Action

18. Introducing the item, a representative of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States gave a presentation on the global perspectives of the comprehensive 10-year review of the Almaty Programme of Action. He indicated that the landlocked developing countries continued to face problems, including inadequate transit infrastructure, remoteness from major markets; inefficient logistics systems; delays in transit owing to cumbersome border-crossing procedures; insufficient application of information and communications technology (ICT) and excessive documentation; heavy reliance on low-value high bulk commodities; and limited productive capacities.

19. The Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States had undertaken a study to estimate the total development cost (including economic and social dimensions) of being landlocked. Empirical evidence from the study indicated that being landlocked was an obstacle to development: the study findings showed

that the trade of landlocked developing countries amounted to only 61 per cent of the trade volume of coastal countries in 2010, and that transport costs for landlocked developing countries were 45 per cent higher than those of coastal economies in 2010 and had increased over time. The level of development of landlocked developing countries was on average 20 per cent lower than it would have been, had they not been landlocked.

20. Since the adoption of the Almaty Programme of Action, landlocked developing countries as a group had achieved higher rates of economic growth, but they were experiencing a decline in manufacturing value addition and agricultural productivity. On the social development front, landlocked developing countries had experienced a positive trend in the Human Development Index since 2003. They had also made advances on some of the Millennium Development Goals, including net primary school enrolment; the share of women in national parliaments; decrease in HIV prevalence rate; and the under-five mortality rate. More still needed to be done, however, in particular with regard to poverty reduction and undernourishment.

21. In the priority area of fundamental transit policies, landlocked developing countries and transit countries had increased harmonization of transport and transit policies and laws, streamlining of border procedures, the development of supportive institutional frameworks and the implementation of trade facilitation initiatives, including one-stop border posts, the Transports Internationaux Routiers (TIR) system, single window processing and third-party motor insurance schemes. There had been increased establishment, adoption and implementation of regional agreements, including the Intergovernmental Agreement on the Asian Highway and Railway Networks; the Africa region was also developing an intergovernmental agreement to underpin the Trans-African Highway.

22. In the priority area of infrastructure development and maintenance, there had been the development and upgrading of both the Asian Highway and the Trans-Asian Railway networks, transit corridors in Africa and transport infrastructure in South America. However, landlocked developing countries still had the lowest proportion of paved roads. All landlocked developing countries had experienced an increase in cellular subscription and Internet users over the review period. Dry ports were being established in all regions. The financing needs for infrastructure development were high.

23. In the priority area of international trade and trade facilitation, exports of landlocked developing countries had increased from $42 billion in 2003 to $224 billion in 2011. However, landlocked developing countries were still marginalized in international markets with a share of the world's overall trade that remained close to 1 per cent, and they relied heavily on the export of primary commodities and had low productive capacities.

24. Landlocked developing countries had made progress in facilitating trade and transport across borders. According to the World Bank report *Doing Business 2013*, the number of days that landlocked developing countries had taken to import had decreased from 57 in 2006 to 48 in 2013, and the number of days to export had dropped from 48 to 42 over the same period. Although that was a major achievement, the number of days taken by landlocked developing countries to import and export was still almost double that of transit countries.

25. Since 2003, three landlocked developing countries had been able to successfully complete their accession to WTO. Kazakhstan, Afghanistan and Ethiopia were in advanced stages of the accession process, and Azerbaijan, Bhutan and Uzbekistan were at various less advanced stages. Support for acceding countries was needed.

26. In conclusion, he indicated some of the priorities of landlocked developing countries, including a reduction in high trade transaction costs; enhanced productive capacities, value addition and diversification, and reduced dependency on commodities; infrastructure improvement; support for regional integration and corridor management; increased financial resources, official development assistance (ODA), foreign direct investment and remittances; and mainstreaming their particular challenges in the global post-2015 development agenda.

27. A representative of UNCTAD gave a presentation on fostering structural transformation in African landlocked developing countries. He stressed that transaction costs, especially transport and insurance costs, were generally higher in Africa and had been an impediment to trade. In Central Africa, for example, transporting 1 ton of goods along the route from Douala in Cameroon to N'Djamena in Chad cost $0.11 per kilometre, which was more than twice the cost in Western Europe, where the cost was $0.05. Given the dire state of transport and trade facilitation services in the African landlocked developing countries, it was likely that the focus on transport, trade facilitation and transit agreements would remain a priority in future programmes of action of this group of countries.

28. The challenges facing landlocked developing countries went beyond the difficulties of delivering goods on time and at reasonable cost to international markets to include lack of productive capacity, declining agricultural productivity owing to low levels of investment, a high incidence of poverty, excessive dependence on exports of primary products, low levels of skills and technological base, a private sector dominated by informality and limited progress in structural transformation.

29. Although Africa had experienced a period of sustained economic growth, that growth had not been translated into sufficient job creation and improved human development, and there was little indication of structural change towards productivity-led and higher-value-added economies because of high dependency on the extraction and export of natural resources. Structural transformation in landlocked developing countries could be achieved only by shifting resources between sectors or from production of low-technology and low-productivity goods and services to high-technology and higher-productivity goods such as high-value horticultural goods and e-services. He emphasized that manufacturing, services and agriculture were sectors that could foster structural transformation.

30. He highlighted specific policy areas that could promote structural transformation, including regional integration. Africa needed to expand the focus of its regional integration agenda beyond increasing intra-African trade and to place more emphasis on economic growth and development outcomes in general. Africa should develop regional value chains as a stepping stone for greater integration into global value chains. That would require increasing investment in hard and soft infrastructures, continuous upgrading of domestic firms that were involved in value chains, providing business support services and market information, and investing in education and innovation. In each of those areas, national and regional industrial

policies would play a crucial role. Landlocked developing countries should also foster entrepreneurship, especially among small and medium enterprises, and building the production and supply capacity of domestic private enterprises was crucial.

31. A representative of ECA gave a presentation on the status of implementation of the Almaty Programme of Action in Africa. He noted that African landlocked developing countries had made good progress in economic and social development during the implementation of the Programme of Action. Their human development indicators had improved, and the gap between landlocked developing countries and transit countries had narrowed. African landlocked developing countries had made notable progress towards the achievement of some of the Millennium Development Goals, namely, education, gender equality and combating HIV/AIDS. More remained to be done, especially in terms of poverty reduction and child mortality and inequalities that had increased within landlocked developing countries.

32. In the priority area of fundamental transit policies, he noted that participation of African countries in relevant international conventions was poor. Most landlocked developing countries and transit countries were party to regional and subregional agreements and, sometimes, bilateral agreements. He stressed that it was important that relevant instruments were effectively ratified and implemented by both landlocked developing countries and their transit neighbours so that landlocked developing countries could realize the benefits of becoming more integrated into the world economy. He pointed out that transit transport legal instruments at the subregional level had been updated after the adoption of the Almaty Programme of Action to focus on transit facilitation. Landlocked developing countries and transit countries were implementing several transit transport facilitation policies and measures, including one-stop border posts; the introduction of single window processing systems; harmonized road transit charges and customs declaration documents; third-party motor vehicle insurance schemes; reduction of roadblocks; and increased use of electronic systems for customs clearance. The initiatives had contributed to significant reductions in transit times and transport costs.

33. In the priority area of infrastructure development and maintenance, progress had been achieved in developing road infrastructure in the major transit corridors of the Trans African Highway. However, major infrastructure gaps remained that required substantial resources; the development and maintenance of supportive infrastructure, including distribution centres, dry ports, border structures and secure rest areas, were also necessary. Although some progress had been made in improving energy infrastructure, Africa had the lowest energy access in the world. With regard to ICT, African landlocked developing countries had significantly increased mobile telephony and Internet use, but they lagged behind other developing countries in terms of broadband Internet access, because of lack of direct access to submarine cables.

34. In the priority area of international trade and trade facilitation, merchandise exports of African landlocked developing countries grew only threefold. African landlocked developing countries were highly dependent on primary commodities with very high export concentration in 2010 and 2011 (Mali, 79 per cent gold; Botswana, 75.6 per cent diamonds; Malawi, 58.4 per cent tobacco, etc.). The African export market concentration was shifting from traditional European Union

dominance towards emerging economies. Although trade facilitation had improved, trade transaction costs were still high and had increased in African landlocked developing countries. African landlocked developing countries could benefit from a trade facilitation agreement under WTO. Two African landlocked developing countries were not yet party to WTO.

35. In the priority area of international support measures, African landlocked developing countries had experienced an increase in ODA and aid for trade over the review period; they had also benefited from technical and financial support from international and regional financial institutions, African infrastructure funds and South-South cooperation. The United Nations and other international organizations had provided technical and capacity-building assistance. In conclusion, the representative of ECA highlighted some of the emerging challenges, including civil conflicts, the global economic and financial crisis, climate change, rapid urbanization and migration, and governance and natural resource management.

36. In the ensuing discussion, participants stressed the need to improve transport infrastructure, in particular completion of missing links and upgrading the road network. Emphasis was placed on the importance of ICT and energy infrastructure that were crucial for improving the connectivity of landlocked developing countries and should be funded. Participants noted that limited diversification of the export base, and lack of value addition and productive capacity were a major challenge for landlocked developing countries. Participants underscored the importance of ratification by landlocked developing countries and transit countries of relevant conventions and of support from the international community.

Regional and subregional infrastructure and trade facilitation initiatives in Africa

37. Presentations were made by representatives of the following institutions under this agenda item: AUC; Trans-Kalahari Corridor Secretariat; Central and Dar Corridors; International Commission of the Congo-Oubangui-Sangha Basin; Abidjan-Lagos Corridor; and Maputo Corridor. Presentations were also made on behalf of the following regional economic communities: ECCAS, SADC, ECOWAS and IGAD.

38. Most of the presentations outlined the geographical coverage, the scope of work and the objectives and programmes of the corridor institutions and their member States. The representatives of the corridor institutions gave an overview of the issues addressed by those bodies, which generally related to improving physical infrastructure, transit and trade facilitation, growth in traffic and business, and reduction in transit time and cost. Their achievements included the adoption of streamlined legislation, harmonized customs procedures and common transit procedures. Some had also set up observatories to collect information and data on the movement of people and goods, assess delays at border posts and carry out inspections of the state of roads. In addition, improvements were reported in risk management and compliance.

39. The representatives of the regional economic communities presented highlights of some of the ongoing infrastructure and transport programmes within the communities, including the tar road programmes in ECCAS, with 55 road projects aimed at building a multimodal transportation system for regional

integration; the ongoing implementation of programme initiatives responding to infrastructure needs in SADC to harmonize regional and trade integration; the already finalized and adopted feasibility studies for seven border posts in ECOWAS; and priority projects identified for corridor construction in IGAD (Djibouti-Ethiopia, Ethiopia-South Sudan, Ethiopia-Kenya, etc.), among others.

40. The AUC had made good progress in the implementation of the Trans-Africa Highway projects, in spite of many challenges. The Commission was moving into further initiatives to finance the identified missing infrastructure links on major transport corridors, and regarded the successful implementation of the Trans-Africa Highway and the Programme for Infrastructure Development in Africa as important milestones towards the implementation of the Almaty Programme of Action.

41. Some corridors, such as the Maputo Corridor, were mostly private-sector driven and focused on transport logistics, involving roads and railways. Trade imbalances between countries served by the same corridor, for instance, between Mozambique and Swaziland on the one hand and South Africa on the other, were also highlighted. Since its establishment, the Trans-Kalahari Corridor had prided itself on the harmonization of substantial cross-border procedures consistent with the regional integration programmes of SADC, the Southern African Customs Union, and the New Partnership for Africa's Development, and international best practices, namely, the adoption of streamlined legislation and harmonized customs procedures to facilitate transit traffic along the corridor; the successful introduction and implementation of a single administrative document (SAD 500); the adoption of common transit procedures; the harmonization of axle load limits; the reduction of border clearance (dwell) time from over several hours to less than one hour with a minimum of 30 minutes clearance; the increased commercial and passenger traffic from less than 5 per cent in 2000 to currently nearly 50 per cent (commercial) and 60 per cent (passenger).

42. In the ensuing discussion, participants noted that the desire of member States to safeguard and ensure national sovereignty was a contributing factor to the slow progress in dismantling trade barriers in Africa. They underscored that important recommendations related to transit transport and trade had been made in previous meetings and should be taken into consideration in order to avoid wasting time and resources, and stressed the need to clarify and sensitize stakeholders on the legal basis of some trade and transport facilitation instruments at the level of regional economic communities.

Country experiences

43. Presentations were made by representatives of the following landlocked developing countries: Burkina Faso, Burundi, Chad, Ethiopia, Lesotho, Mali, Niger, Rwanda, South Sudan, Swaziland, Uganda, Zambia and Zimbabwe. Presentations were also made on behalf of the following transit countries: Benin, Cameroon, Côte d'Ivoire, Djibouti, Nigeria, Togo and the United Republic of Tanzania.

44. The representatives of the landlocked developing countries highlighted the progress made in improving transport infrastructure, including road, rail, maritime and air transport; ICT and energy infrastructure; and dry ports. Most landlocked developing countries had utilized domestic resources and financial assistance from development partners towards infrastructure development; however, the

infrastructure development needs were still high and required more assistance. Representatives also noted that some seaports that they were using were heavily congested, and some indicated that they were developing alternative routes as a safeguard.

45. Most representatives stressed that their countries were party to subregional, regional and bilateral agreements. Some indicated that they were party to some of the relevant international conventions, while others said that they were not party to international conventions because of lack of knowledge and awareness of the conventions and their potential benefits. They stressed the need for capacity-building support. Landlocked developing countries had made progress in harmonizing transit and border-crossing procedures and in policies relating to management of transport facilities and services within regional economic communities. Many landlocked developing countries had established one-stop border posts, which had greatly reduced border-crossing times. They had also introduced automated customs systems and single window processing: many had developed institutional frameworks to coordinate trade or transit facilitation at the national level.

46. Although milestones had been achieved in different areas of infrastructure and transport facilitation, challenges still impeded the movement of persons, vehicles and goods along the corridors, including, among others, the continued imposition of non-tariff barriers; poor or inadequate infrastructure in landlocked developing countries, and even transit countries, to support efficient movement of goods; high logistical costs arising from delays along some borders; unavailability of empty containers; inadequacy of storage facilities; and lack of financial support for LLDC programmes.

47. The messages that emerged from the presentations made by transit countries mainly focused on their efforts in improving port clearing and border-crossing times; modernization and equipment of customs administration; simplification of custom and administration procedures; reducing escort fees; continuing cooperation with landlocked countries through corridor monitoring by means of transport observatories; setting up corridor management institutions and trade and transport facilitation committees, including the private sector; and close monitoring of cargo clearance and delivery with a view to reducing port congestion and transportation costs. The representatives of the transit countries drew attention to the high transportation costs in the region. They also mentioned ongoing efforts, with other partners (the private sector and other international partners) to reduce supply chain costs for exporters and increase the economic competitiveness of their countries, thus leading to job creation, higher incomes and reduced poverty. In the area of infrastructure, in addition to road improvements, efforts were also being made to extend ports and build new ones, modernize port equipment and create new trade and transport corridors.

48. In the ensuing discussion, participants noted that high customs fees at ports and along corridors and high transport costs were among key obstacles that needed to be addressed. There were also several missing links in major corridors, and there was an urgent need to step up rehabilitation of the infrastructure along major corridors. Participants also noted that if the Almaty Programme of Action was mainstreamed into national development strategies, it would help to influence budget allocation to priority areas for its effective implementation.

International support measures for the implementation of the Almaty Programme of Action

49. Presentations were made by representatives of the following international organizations under this agenda item: the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, UNCTAD, UNIDO and the International Road Transport Union.

50. In her presentation, the representative of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States pointed out that ODA to landlocked developing countries more than doubled between 2000 and 2010 and reached $26 billion in 2011. However, the allocation was very uneven across landlocked developing countries, and six of the African landlocked developing countries relied on ODA for at least 20 per cent of their central Government expenditure. Aid-for-trade flows to landlocked developing countries had increased since 2003, with the majority of that aid going towards economic infrastructure and building productive capacity.

51. Foreign direct investment had increased for the landlocked developing country group; however, foreign direct investment to Africa had not increased as much as in other regions. Foreign direct investment was highly concentrated in a few resource-rich landlocked developing countries. In order to attract foreign direct investment, it was important to have an enabling environment in landlocked developing countries. Foreign direct investment should be promoted to support local processing, value addition, infrastructure development, trade facilitation and technology transfer. Improved market access was important for landlocked developing countries, and the international community should consider establishing a preferential market access scheme for landlocked developing country exports to mitigate the high trade transaction costs stemming from their geographical disadvantages. South-South cooperation had increased over the review period, and it was important to foster it through sharing best practices and experiences and knowledge, increased investment and transfer of appropriate technologies. United Nations organizations, regional economic communities, multilateral institutions including WTO and the World Bank, donors, regional development banks and some subregional organizations had supported landlocked developing countries through technical assistance, capacity-building, advocacy and resource mobilization. That support needed to be continued and increased.

52. In his presentation, the representative of UNCTAD noted that when the Almaty Programme of Action was drafted 10 years ago, it did not identify support measures specifically targeted at landlocked developing countries. Landlocked developing countries currently received assistance as developing countries and benefited from various international cooperation initiatives such as ODA, and many of them were part of free trade agreements and South-South cooperation. However, those measures were not specific to landlocked developing countries, nor were they related to the geographical handicap of having no direct access to the sea. It was important for specific measures such as special and differential treatment and those measures applied to least developed countries under WTO to be extended to landlocked developing countries. The European Union could be invited to consider extending European Banking Authority privileges to all landlocked developing countries as part of the Almaty Programme of Action review process. An extension of European Banking Authority benefits to all landlocked developing countries

would be a historic achievement of a successor programme to the Almaty Programme of Action. In conclusion, the representative of UNCTAD highlighted some of the technical assistance that UNCTAD provided to landlocked developing countries.

53. In his presentation, the representative of the International Road Transport Union outlined the support that his organization provided for sustainable development and facilitation. On facilitation, he said that the Convention on International Transport of Goods Under Cover of TIR Contracts (TIR Convention) played a key role in facilitating international trade and transport, in particular, over the past 15 years, for landlocked developing countries in Central Asia. What had been used by landlocked developing countries in other regions to develop and facilitate trade and transport could be used with the same positive effects for landlocked developing countries in Africa. The International Road Transport Union Academy had also contributed to increased capacity-building for landlocked developing countries by providing, through its network of accredited national training institutes, training programmes for road transport operators and drivers fully in line with international standards, thereby contributing to strengthening the profession and increasing the efficiency and profitability of road transport companies, while also contributing to sustainable development, notably through eco-driving programmes, and to road safety. He highlighted the cooperation of the International Road Transport Union with the AUC, ECA, the World Bank and the Sub-Saharan Africa Transport Policy Programme, and confirmed that the International Road Transport Union was ready to share its knowledge and experience to facilitate accession to and implementation of the key United Nations conventions.

54. In his presentation, the representative of UNIDO highlighted the initiatives that the organization was undertaking to support landlocked developing countries in improving their productive capacities, particularly in energy, industrialization and entrepreneurship. He stressed that landlocked developing countries should be subject to special international measures.

55. In the ensuing discussion, several participants emphasized that landlocked developing countries had special needs in various areas ranging from investment and maintenance of hard and soft infrastructure to enhancing trade and productive capacities, with regional integration and global value chains also having an important role to play. It was stressed that investing in road infrastructure was important, and improving the rolling stock of the rail sector was equally important in African landlocked developing countries. Participants also emphasized the need to consider the creation of innovative sources of financing, such as funds for the development of transport and energy infrastructure. It was also necessary to improve foreign direct investment flows to landlocked developing countries, and it was suggested that countries should improve international corridors to attract foreign direct investment more effectively.

Implementation and review of the Almaty Programme of Action

56. A representative of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States gave a presentation on the implementation, monitoring and

review of the Almaty Programme of Action. He presented a road map for the comprehensive 10-year review of the Programme to be held in 2014, highlighting the activities on three main tracks, namely, intergovernmental, United Nations inter-agency and private sector.

57. He informed the meeting that implementation, monitoring and review needed to be undertaken at all levels, including national, subregional, regional and global. Landlocked developing countries and transit developing countries had to be mutually accountable for actions to improve transit processes. At the national level, landlocked developing country Governments should mainstream the new programme of action into their national and sectoral development strategies, and implement and conduct regular reviews.

58. At the subregional level, organizations should develop and implement priority projects for infrastructure development, mainstream the Almaty Programme of Action implementation into their relevant programmes of work and undertake reviews. At the regional level, the relevant United Nations regional economic communities should undertake periodic reviews. The Almaty Programme of Action should be mainstreamed into development assistance and funding.

59. The implementation of the new programme of action would undergo an annual review at the global level by the General Assembly, involving annual reports of the Secretary-General, the assessment of indicators to measure the progress of achievements and the biannual General Assembly plenary interactive thematic dialogue. The governing bodies of organizations in the United Nations system should mainstream the implementation of the Almaty Programme of Action into their programmes of work, and sectoral and thematic reviews of the Programme should be undertaken.

Role of private sector in implementation of the Almaty Programme of Action

60. Introducing the item, the representative of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States reiterated the important contribution of the private sector in the development efforts of landlocked developing countries and the need to include the private sector in the preparatory process of the 10-year review conference. Presentations were made by representatives of chambers of commerce and other private sector organizations from Burkina Faso, Ethiopia, Kenya, Nigeria, Togo, Uganda, and Zimbabwe.

61. The representatives noted that chambers of commerce, whose membership was derived from small and medium enterprises, played a key role in promoting trade and investment, as well as creating opportunities for export markets through trade exhibitions and international partnerships. The chambers worked with Governments both in the development and the implementation of Government policies, particularly on trade and investment. At the global level, the International Chamber of Commerce played a role in promoting private sector involvement in the global development agenda. It was further noted that the private sector was not well resourced and sometimes lacked the capacity to make meaningful contributions. The importance of including the private sector in the new development agenda for landlocked developing countries was stressed. The private sector representatives

also bemoaned the high transportation costs incurred by landlocked developing countries and indicated that bad governance was a major contributor. They emphasized the need to improve governance in the new development agenda in order to reduce the cost of doing business.

62. In the ensuing discussion, participants noted that other private sector organizations in some landlocked developing countries, such as shippers' councils, also played a major role in national development and should be consulted as private sector representatives in their countries. Participants also noted that the private sector, in particular public-private partnerships, could play a major role in infrastructure rehabilitation and maintenance, but there remained challenges that needed to be overcome, including strengthening policy and legal frameworks. It was noted that limited effective communication between the Government and the private sector could lead to the private sector's lack of awareness of many conventions and initiatives, from which they were meant to benefit or which they should implement. The issue of governance, in particular corruption, needed to be addressed in order to reduce the cost of doing business in landlocked developing countries.

IV. Recommendations

63. The meeting adopted the following recommendations:

1. Investment in infrastructure development:

(a) The establishment of a secure, reliable and efficient transit transport system, which is the overarching goal of the Almaty Programme of Action, still remains critical for landlocked developing countries to reduce transport costs and enhance their competitiveness in regional and global markets. Further development and maintenance of supportive infrastructure, including distribution centres, intermodal points, dry ports, border structures and rest areas that are secure, is therefore necessary;

(b) Future infrastructure developments in the transport sector should take into consideration two important aspects: the need for alternative transit transport corridors and rebalancing the modal mix. There is a strong need to develop alternative route and multimodal transport;

(c) More investment is needed in hard infrastructure in both landlocked and transit developing countries to close the missing links and upgrade transport infrastructure, and in energy and ICT infrastructure, particularly broadband, in order to improve the connectivity of landlocked developing countries and the reliability of communications networks and electricity supply;

(d) Member States and regional economic communities should mobilize resources, with the support of development partners, to improve inland water transport. The landlocked developing countries need financial and technical assistance in this regard;

(e) African countries and regional economic communities should articulate clear implementation strategies for existing corridor infrastructure programmes, especially those that have the potential to promote regional integration and enhance intra-African trade;

(f) Regional economic communities and African countries should initiate and improve regional transit management systems;

(g) The AUC, regional economic communities and member States should step up ongoing resource mobilization efforts, particularly domestic resource mobilization.

(h) Creation of innovative financing mechanisms to combine public and private contributions to fund infrastructural development should be pursued including public-private partnerships, catalytic mechanisms and non-traditional applications of solidarity.

2. Enhancing accession and effective implementation of relevant conventions:

(a) Landlocked developing countries and transit countries should become parties to and effectively implement the existing key United Nations trade and transport facilitation instruments, in particular the TIR System/Convention, the International Convention on the Harmonization of Frontier Controls of Goods, 1982, the Convention on Traffic and Road Safety, the Customs Convention on the Temporary Importation of Commercial Road Vehicles, the Customs Convention on Containers, the Convention on the Contract for the International Carriage of Goods by Road, the Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be used for such Carriage, and the European Agreement concerning the International Carriage of Dangerous Goods by Road, as well as regional and subregional agreements;

(b) Relevant United Nations systems and other organizations should intensify capacity-building assistance to landlocked developing countries and transit countries with respect to the international legal instrument, including training programmes for all stakeholders, to raise awareness and understanding of the process and implications of accession to international conventions, regional and subregional agreements relating to transit facilitation and transport;

(c) The private sector should be involved at all stages in the development of transport and trade instruments, including the conceptual stage. This will improve its ownership and willingness to support the implementation of these instruments.

3. Investment in transit cooperation and trade facilitation:

(a) Landlocked developing countries and their transit partners should undertake further harmonization of policies, simplification and standardization of rules, documentation and border-crossing and customs procedures;

(b) Trade facilitation initiatives that have proved to work, such as one-stop border posts, where appropriate, should be replicated and fully funded in order to make them efficient in close consultation with corridor management institutions;

(c) More attention should be given to addressing road safety along transit corridors, as well as health care and truck stops;

(d) Development partners should scale up their support for facilitating accession to and implementation of the key global United Nations facilitation conventions and look for the harmonization of transit transport and trade instruments in Africa;

(e) Regional economic communities, with the support of development partners, should develop a prototype (template) legal framework for one-stop border posts in close consultation with corridor management institutions;

(f) Regional economic communities and corridor management institutions, with the support of development partners, should undertake a review of the legal and operational framework of one-stop border posts;

(g) Implementation efforts of one-stop border posts concepts in the landlocked and transit countries that are behind schedule need to be bolstered and the operations of existing ones need to be improved;

(h) Regional economic communities and corridor management institutions should be strengthened and mandated to play an advocacy role, and to monitor the implementation of trade facilitation instruments and measures at the national level;

(i) The private sector should be involved in developing trade facilitation instruments, as this will provide them with the incentive to advocate for the domestication of these instruments;

(j) Regional economic communities, with the support of development partners, should undertake studies on the cost of trade facilitation in order to clarify the benefits of implementing existing instruments and measures to member States;

(k) Non-tariff barriers on corridor routes, which lengthen the transit time and increase the cost of using the routes, need to be removed;

(l) Regional economic communities and member States should implement non-tariff barriers reporting and elimination systems, such as the one developed by SADC, the Common Market for Eastern and Southern Africa and the East African Community.

4. Trade negotiations and enhanced trade:

(a) Develop a fair, just, transparent, inclusive and predictable multilateral trade system to support the effective opening of markets and the creation of opportunities for developing countries, and particularly for the most vulnerable and small countries such as landlocked developing countries. Faster progress is needed in the Doha Development Round so that landlocked developing countries can reap benefits, particularly in areas that have strong positive impacts on the trade flows of landlocked developing countries, such as trade facilitation, market access and the elimination of non-tariff barriers and other trade distorting measures, as well as implementation issues;

(b) Trade facilitation is an area of great importance in the current negotiations to reduce costs and guarantee predictability for LLDC exports. Improved trade facilitation will help landlocked developing countries to gain more efficient flow of goods and services, as well as improved international competitiveness. The future agreement on trade facilitation, in the final

outcome of the Doha Round, should contain binding commitments ensuring freedom of transit; customs cooperation; expedited movement, release and clearance of goods in transit; most favoured nations treatment; national treatment, fees and charges commensurate with transit services; and transparent and predictable procedures, as well as special and differential treatment for landlocked developing countries with the necessary financial and technical support. There is an imperative need for the consideration of the special needs of landlocked developing countries in the current WTO negotiations on trade facilitation;

(c) Landlocked developing countries should be supported to actively negotiate and push for adoption of a trade facilitation agreement that can take care of the interests and concerns of landlocked developing countries. At the same time, landlocked developing countries should make efforts to diversify into tradable goods that are less transport dependable and that are also less subject to trade barriers such as services;

(d) Improved market access is needed for agricultural and non-agricultural goods originating from landlocked developing countries to ensure their meaningful participation in the global trading regime.

5. WTO accession:

The accession procedure for landlocked developing countries should be simplified to take into account the individual levels of development and the special needs and problems caused by the geographical disadvantage of being landlocked. All provisions on special and differential treatment reflected in the General Agreement on Tariffs and Trade and in all WTO agreements must be effectively granted to all acceding landlocked developing countries. In this regard, the sharing and dissemination of experiences and guidelines on WTO accession is important to allow landlocked developing countries to benefit from each other's experiences. Continued technical support is needed for landlocked developing countries acceding to WTO to help expedite their accession.

6. Structural transformation, diversification, value addition and industrialization:

(a) African landlocked developing countries, most of which depend on trade in commodities, have a real opportunity to capitalize on their resource endowment and high international commodity prices, as well as changes in how global production processes are organized. Commodity-based industrialization can provide an engine of growth for the continent, reducing its marginalization in the global economy and enhancing its resilience to shocks. Key among the components of this framework is the need to design and implement effective development plans and industrial strategies to address constraints and tap opportunities for African countries to engage in value addition and commodity-based industrialization. Successful industrial policies would assist African countries to strengthen and sustain their policy space through higher and sustainable growth rates and tax revenue;

(b) Landlocked developing countries, with the assistance of the international community, should adopt policies aimed at structurally transforming their economies with an emphasis on research, innovation,

industrialization, value addition, enhanced productive capacities, diversification and a reduction of dependency on commodities, increased technology transfer, increased agricultural productivity, expansion of the services sector and joining global and regional value chains;

(c) Provide measurable goals and a mechanism for monitoring progress on structural transformation;

(d) Address and build the resilience of landlocked developing countries to economic, financial and food crises, climate change and desertification.

7. Regional integration and cooperation:

(a) The share of intra-African trade is extremely low relative to other major regions, hovering between 10 and 12 per cent. Intra-African trade is more diversified and reliant on manufactured goods than Africa's trade with external partners, and increased trading among African countries has huge potential to support industrialization and structural transformation. African countries should address the trade-related constraints such as tariff and non-tariff barriers, poor infrastructure, lack of exploitation of supply chain potential, paucity of productive capacity, governance issues and social and economic stability in order to boost intra-African trade;

(b) There are significant opportunities for greater exploitation of the potential of regional economic integration, especially in terms of increasing intra-regional trade and intra-regional foreign direct investment flows and improving connectivity through transport, energy and ICT networks. Landlocked developing countries need to fully leverage the regional preferential trading arrangements for harnessing the complementarities not only within the subregion, but also across subregions in critical areas such as energy security and trade facilitation to promote a more inclusive and balanced pattern of economic growth and sustainable development;

(c) Landlocked developing countries and their regional and global development partners should make efforts to deepen regional integration, including accelerating the implementation of free trade agreements in order to enhance competitiveness and maximize benefits from globalization.

8. Free movement of persons and goods:

(a) Regional economic communities, corridor management institutions and member States should strengthen their capacity to enable them to implement their mandate in the area of free movement of persons and goods needs;

(b) Tracking progress in the free movement of persons and goods is difficult because several Government departments (for example, transport, trade and immigration) are involved in the process, and there is thus a need for enhanced coordination;

(c) The extent to which progress has been made in the free movement of persons and goods varies across regional economic communities and more studies are needed to improve current understanding of the issues;

(d) Regional economic communities and member States should develop and implement simplified and harmonized visa systems for drivers involved in international transport (freight and passengers).

9. Enhancing the role of the private sector:

(a) Landlocked developing country Governments should strengthen the public-private partnership policy frameworks and put in place the necessary legal instruments and institutions to enhance the role of the private sector;

(b) Landlocked developing countries and their development partners should enhance the capacity of the private sector in particular entrepreneurship for small and medium-sized enterprises;

(c) Landlocked developing country Governments should improve consultation and involvement of the private sector in regional integration processes and initiatives, especially transit cooperation and border management;

(d) Similarly, at subregional, regional and global levels, the private sector should be allowed to participate and contribute to the formulation of regional and global policies and legal instruments;

(e) The private sector should be included as a key stakeholder in the new programme of action for landlocked developing countries;

(f) Landlocked developing countries should seek to create a stable, predictable and enabling investment environment for attracting increased and more diversified foreign direct investment.

10. International support measures and financial resources:

(a) Specific and targeted support measures should be provided to landlocked developing countries by the United Nations system organizations, international organizations and development partners, in order to help them mitigate the high cost of being landlocked;

(b) Official development assistance, aid for trade and South-South cooperation should be fully enhanced and harnessed to address the physical and non-physical barriers that separate landlocked developing countries from the broad currents of world trade;

(c) The international community should support and encourage foreign direct investment flows to landlocked developing countries;

(d) United Nations organizations, particularly the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and ECA, international, regional and subregional organizations, international and regional financial institutions and other stakeholders should continue and scale up their support to help landlocked developing countries improve supply-side capacities to take advantage of trading opportunities already at hand and to allow them to expand their international trading frontiers;

(e) The private sector and public-private partnerships and multilateral and regional financial and development institutions must play a critical role in meeting financing gaps. Landlocked developing countries should establish an appropriate legal framework for public-private partnerships;

(f) Innovative sources of funding need to be explored, including the channelling of remittances to productive activities and infrastructure bonds;

(g) United Nations systems and other development agencies should provide funding and programmes for innovative financing for facilitating the renewal of the fleet for international transport of goods and passengers.

11. Implementation and review:

(a) The successor programme of action should have ambitious short-, medium- and long-term goals and targets with a clear monitoring and reporting mechanism that will ensure that the programme is mainstreamed into national development strategies, subregional and regional development and integration frameworks and the work programmes of regional economic communities;

(b) The follow-up monitoring mechanism should be a continuing and evolving process to reinforce partnerships and mutual accountability;

(c) Regional economic communities should mainstream the new programme of action and conduct regular reviews at the subregional level, and ECA, in collaboration with the AUC, should take a lead in organizing biannual reviews of the programme at the regional level that would contribute to the annual global review by the General Assembly;

(d) An African centre of excellence for landlocked developing countries should be established in Addis Ababa.

12. Post-2015 development agenda:

(a) Mainstream the special needs of landlocked developing countries into the global post-2015 development agenda and sustainable development goals;

(b) The new development agenda for landlocked developing countries must specifically address the challenges of landlocked developing countries in a more holistic manner.

13. Follow-up:

(a) The report of the African regional review meeting, including its recommendations, should be submitted to the next Conference of African Ministers of Transport and the next Conference of African Ministers of Trade;

(b) The report should also be submitted to the second United Nations Conference on landlocked developing countries and its intergovernmental preparatory committee with a view to fully reflecting the views and interests of African landlocked and transit developing countries in the final outcome document of the Conference.

V. Closing

64. The ECA representative thanked the participants for their positive and effective participation, which had enabled the meeting to reach fruitful conclusion. He then declared the meeting closed.